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Evaluation of UNCTAD activities

Evaluation of UNCTAD activities: Overview

Report by the Secretary-General of UNCTAD

Introduction

1. This report provides an overview of the external evaluations of UNCTAD programmes and projects undertaken between January 2013 and March 2014. This information is presented to allow more in-depth reporting on all evaluation activities and is a move towards strengthening accountability and lessons learned.

I. Summary of evaluation findings

2. Evaluations at UNCTAD are conducted against the criteria of relevance, effectiveness (including impact), efficiency and sustainability, consistent with the standards outlined by the United Nations Evaluation Group. The objectives of such assessments are to draw conclusions on the work implemented, to make recommendations on any enhancements needed and to identify lessons learned. Such information can help inform the design, planning and implementation of future work.

3. Five evaluations were conducted in the period considered in this report. The following paragraphs elaborate on the key findings, recommendations and lessons learned from these evaluations.

A. Evaluation of subprogramme 1: Globalization, interdependence and development, 2008–2012

4. The fifty-sixth executive session of the Trade and Development Board requested an independent evaluation of the UNCTAD subprogramme on

globalization, interdependence and development, with the objective of assessing the relevance, effectiveness (including impact) and efficiency of work of the subprogramme during the period 2008–2012 in relation to its mandates, and proposing enhancements as appropriate.

5. The evaluation found that the subprogramme had played its role as a think tank on globalization and development for the United Nations system and that the products of the subprogramme were generally of high quality and appreciated by member States. The evaluation highlighted that the subprogramme had produced a remarkable body of research with limited staff resources. The evaluation also observed that the subprogramme had exploited synergies between the three pillars of its work to effectively achieve its goals. However, the evaluation also pointed out that synergies across divisional and organizational boundaries needed further improvement. It mentioned that assessing the impact of the subprogramme's messages on globalization policies remains difficult, though the messages have worked their way through United Nations intergovernmental processes. It further pointed out that outreach methods to member States for its policy messages could be more effective and that the consensus-building potential of the subprogramme had not been fully exploited. Finally, the evaluation observed that the subprogramme's existing results framework is not suitable as a management tool for the subprogramme, as the performance indicators do not satisfactorily measure achievements.

6. On the basis of its findings, the evaluation team made the following recommendations: (a) develop a meaningful results-based management approach to guide the subprogramme's work; (b) establish an integrated UNCTAD research agenda around development-centred globalization; (c) adjust the research focus of the *Trade and Development Report*, whereby future reports could have two parts: i) monitoring trends and issues in the global economic environment; ii) providing comparative analysis of the influence of trade and interrelated issues on sustainable development from a developing country perspective; (d) promote increased capacity-building for development-centred globalization within the United Nations development pillar.

7. In its management response to the evaluation (TD/B/WP(65)/CRP.1), the secretariat noted the acceptance of recommendations (a) and (d), but only partial acceptance of recommendations (b) and (c), citing feasibility concerns.

8. The evaluation report, together with the management response from UNCTAD, formed the basis for discussion at the sixty-fifth session of the Working Party on the Strategic Framework and the Programme Budget. Member States stressed the importance of the work of subprogramme 1 and highlighted its relevance in promoting economic policies and strategies for the sustainable and beneficial integration of developing countries into the interdependent global economy. Following further consideration of and consultations on the report and the management response, member States at the sixty-sixth session of the Working Party endorsed the findings of the evaluation team and requested the secretariat to implement the recommendations of the evaluation within UNCTAD's mandate, as appropriate. The secretariat was requested to report on the progress made in the implementation of the recommendations at the sixty-eighth session of the Working Party. In addition, member States welcomed the efforts of the Secretary-General of UNCTAD to enhance research coordination and synergy within the secretariat on the preparation of flagship publications.

B. Evaluation of development account projects

9. External evaluations of the following four projects that were supported by the seventh tranche of the United Nations Development Account were also completed: (a) Strengthening capacities of developing countries in Africa and Asia to support their effective participation in negotiating bilateral, regional and multilateral trade facilitation arrangements (project 10/11AU); (b) International cooperation to develop a global monitoring system in national investment policies (project 10/11AK); (c) Strengthening capacities in developing countries for the effective enforcement of competition law to minimize constraints to economic productivity (project 10/11O); (d) Integration of the trade dimension in the United Nations Development Assistance Framework (project 10/11S) and Enhancing national ownership of trade-related assistance in United Nations country-level development plans (project 10/11AV).

(i) External evaluation: Strengthening capacities of developing countries in Africa and Asia to support their effective participation in negotiating bilateral, regional and multilateral trade facilitation arrangements (United Nations Development Account, project 10/11AU)

10. This project aimed to enhance the capacity of select landlocked and transit developing countries in East Africa and South Asia to design, manage and implement regional trade facilitation commitments in such a manner that they are coherent with trade facilitation measures contained in the negotiated World Trade Organization agreement on trade facilitation and aligned with national policies and frameworks.

11. The main activities of the project were fact-finding and advisory missions to the six project countries, followed by the development of training materials and the organization of six national workshops, four regional cluster meetings and an interregional forum held in Geneva, Switzerland. The project also leveraged an existing platform for sharing best practices. The six countries that benefited from this project were Bangladesh, Bhutan, Nepal, Rwanda, Uganda and the United Republic of Tanzania.

12. The evaluation confirmed the relevance of the project. The evaluator found that the project responded to beneficiaries' needs and was well aligned with UNCTAD mandates and with the objectives of the United Nations Development Account. The evaluator noted that the effectiveness and efficiency of UNCTAD in organizing the project's activities had been appreciated by country representatives involved in the project, who noted the high-quality project management and innovative regional and interregional experiences offered to them. However, the evaluator also observed some shortcomings in the monitoring of the project, which did not allow for a full assessment of the effectiveness of the project.

13. The evaluator further observed that the project was cost-efficient and generated synergies with other UNCTAD projects. With regard to project sustainability, the evaluator commended the higher than usual continuous participation of the relevant beneficiary country representatives throughout the project, with only a few exceptions. In the evaluator's opinion, this sets a basis for ensuring the sustainability of results in the near future. However, the evaluator also noted that the project could have benefited from stronger participation by representatives from the private sector. Based on analysis of the project's achievements to date, the evaluator concluded that the project will lead to concrete and positive impacts for the countries involved.

14. On the basis of the findings, the following recommendations were made: (a) for subsequent projects, UNCTAD should consider coupling its work with

complementary infrastructure projects implemented by other institutions such as the Asian Development Bank, United States Agency for International Development and the World Bank, as infrastructure development was a subject mentioned by many project participants as an unmet need; (b) the project team should make sure that sufficient time is allocated to allow all activities to be fully implemented to the required level of quality; (c) project officers should develop a more thorough monitoring and evaluation system at the start of such projects by preparing a baseline study with which to compare results and should develop a performance measurement framework and use it throughout such projects; (d) the project team should ensure a better alignment of project activities with participants' needs and operational capacities; (e) the project team should develop a follow-up project to this project, on the condition that it greatly build on the results attained and that it obtain commitments from beneficiary countries regarding their further investments in terms of human and financial resources; (f) for future similar projects, private sector involvement throughout the projects should be increased, in order to incorporate their valuable input and improve the sustainability of projects.

(ii) External evaluation: International cooperation to develop a global monitoring system in national investment policies (United Nations Development Account, project 10/11AK)

15. This project was operational from the second half of 2011 to the first quarter of 2014. The project aimed to establish a global database on investment policies and their impact on development, which would enable policymakers in developing countries and the international community to have access to best practices in investment policies. It also aimed to establish an e-based network for international dialogue on investment policies and best practices. The main activity was the establishment of the Investment Policy Hub and database on investment policies and their impact on development. The project also organized three capacity-building workshops in collaboration with development partners.

16. The evaluation confirmed the considerable relevance of this project, based on survey and interview responses from both internal and external stakeholders. The evaluator found that 68 per cent of users registered on the Investment Policy Hub appreciate the platform's role as a useful "one-stop shop" for issues related to policy investment. The evaluator noted quite positive feedback on specific features of the platform, such as information on the Investment Policy Framework for Sustainable Development and access to investment policy reviews and access to a policy database. The evaluator recognized the validity of the project design and its logical framework, but pointed out the lack of baseline data and specific targets in order to better assess expected accomplishments.

17. With regard to efficiency, the evaluator noted the project's timely completion of all planned activities and full utilization of the project budget. The evaluator also observed that the project had managed to leverage 71.4 per cent of direct costs related to workshops from development partners, which reflects their recognition of the pertinence of the project. With regard to effectiveness, the evaluator noted that at the time that the evaluation was conducted, the project was on track to meet expected accomplishments and that 100 per cent of investment promotion officers who had attended the workshops would recommend the platform to colleagues and friends working in the areas of investment policymaking and/or research and analysis of investment policies. The evaluator observed that there is a high likelihood of sustainability due to the project's close alignment with the strategic priorities of the UNCTAD division that implemented the project.

18. On the basis of the findings, five recommendations were made. First, the project should be used within the implementing division as a good practice example for future project design, including the approach to monitoring through systematic workshop and post-workshop questionnaires and information technology statistics. However, for future projects, the project team should ensure that baselines are available for all expected accomplishments and that quantifiable targets are set. Second, the implementing division should continue monitoring the Investment Policy Hub using the criteria selected for the present evaluation and the evaluation results as a baseline. Third, in order to complement the achievements of the project to date, the implementing division should continue investing in capacity-building workshops involving targeted policymakers through a partnership approach built into project implementation. Fourth, with the launch of the final version of the Investment Policy Hub, the project team should clearly promote the interactive features of the platform, including discussion forums. Fifth, with regard to maintenance of the Investment Policy Hub, the implementing division should continue to prioritize the allocation of staff time to respond to the demand created by the interactive features.

(iii) External evaluation: Strengthening capacities in developing countries for the effective enforcement of competition law to minimize constraints to economic productivity (United Nations Development Account, project 10/11O)

19. This project aimed to strengthen the capacity of national competition authorities to effectively enforce competition law and to make recommendations for the improvement of their legal and institutional frameworks. The main activity was the completion of nine peer reviews and initiation of a further three peer reviews, together with follow-up activities to implement the recommendations emanating from peer reviews undertaken in two countries prior to the start of the project. This project was operational from 2010 to 2013.

20. The evaluation confirmed the considerable relevance of the project for the countries selected for technical assistance. The evaluator recognized that the intervention logic was coherent and that the components of the peer review processes were relevant. However, the evaluator noted that some adjustments may be necessary to give more weight to follow-up assistance in the overall delivery of UNCTAD peer reviews. The evaluator commended the effectiveness of the project and found that the peer review process was highly appreciated in the beneficiary countries for its quality and the practical recommendations and road maps for the countries. The evaluator observed that the peer review reports had been used for years as references both for legal reforms and for training in the countries involved. The evaluator observed spillover effects from the project, including triggering demand from neighbouring countries to catch up with the countries that had undergone a peer review. The tripartite peer review process in the United Republic of Tanzania, Zambia and Zimbabwe had proven to have a potential contribution to regional cooperation in the field of protecting economic competition.

21. The evaluator confirmed the considerable efficiency of the project and observed that the project had been successful in generating co-funding, which served as a testament to its relevance and success. The evaluator further pointed out that the project had initially been planned to cover only four country peer reviews but had, in the end, covered 12 countries. With regard to sustainability, the evaluator judged from the responses of competition authorities that most of the agencies would continue to use the recommendations in the reports long after the project had been completed. For example, in Serbia, aspiration for membership in the European Union

had helped in the implementation of most of the UNCTAD peer review recommendations and also generated substantial funding from the European Union for follow-up assistance. Finally, however, the evaluator noted that in order to materialize benefits, there should be a greater focus on follow-up technical assistance and additional funding for such assistance.

22. Based on the findings and conclusions, the evaluator proposed the following recommendations: (a) coordination with other international organizations should be enhanced in order to be able to add leverage in the pursuit of policy reforms; (b) increased focus on training and technical capacity-building is important and more in-depth technical assistance should be provided only if there is a clear commitment by Governments to implement the recommendations, including with regard to increased funding for agencies; (c) mentoring partnerships between competition authorities from developing and developed countries, involving other agencies as key allies and partners in the peer review process, should be supported; (d) post-intervention reviews of achievements following the peer review should be introduced, whereby beneficiary countries should report to the Intergovernmental Group of Experts on Competition Law and Policy in two to three years' time following delivery of an assistance package; (e) peer review reports should be more widely distributed in beneficiary countries, to ensure that they reach a wider circle of journalists, civil society groups and consumer unions; (f) UNCTAD should work closely with development partners to ensure that extra budgetary funding is secured early enough for the delivery of follow-up technical assistance.

(iv) External evaluation: Integration of the trade dimension in the United Nations Development Assistance Framework (United Nations Development Account, project 10/11S); Enhancing national ownership of trade-related assistance in United Nations country-level development plans (United Nations Development Account, project 10/11AV)

23. Project 10/11S and project 10/11AV were operational during the periods 2010–2013 and 2012–2013, respectively. The goal of the two projects was to increase policy coherence between the international economic environment and domestic development goals and interlinkages between trade and the sectoral components of national development plans. The projects aimed to enhance national capacities to formulate United Nations assistance plans that take due account of economic and trade-related issues and to coordinate the required inter-agency actions in view of national development goals. The main activity was the organization of one national and four regional workshops based on dedicated training materials, and a discussion forum held in Geneva, Switzerland. The projects also enabled the conduct of three online courses on the trade dimension in United Nations Development Assistance Frameworks, which had 390 participants and a graduation rate of 72 per cent.

24. The evaluation confirmed the relevance of the projects. The evaluator found that the projects suited the needs of those countries in which the next iteration of their United Nations Development Assistance Frameworks was under discussion and/or revision. The evaluator noted that the activities had reached the targeted quantitative outputs in most instances, but that gender-related aspects had not been tracked by the projects. With regard to effectiveness, the evaluator found that positive outcomes from the projects could already be observed in one of the participating countries. The evaluator further found that there were certain mechanisms in place to sustain the projects' outputs and results, such as an online discussion platform that would soon be operational. However, the evaluator pointed out that the design of the projects showed room for improvement, in particular

related to the logical framework elements – the level of results, choice of indicators and sources of verification. The evaluator found that the online training was useful in developing individual knowledge but weak in institutional capacity-building, and that the total number of participants seemed to be dispersed too thinly across many countries. Finally, the evaluator recognized that, while a targeted selection of qualified participants in project activities would have contributed towards enhanced effectiveness, the selection of participants was usually at the discretion of the respective participating Governments.

25. Based on the findings and conclusions, the evaluator proposed recommendations that included the following: (a) coherence in project design between project objectives, intended results, budgets and time frames should be ensured, and project designs should not accommodate overambitious objectives; (b) UNCTAD should be focused in interventions, by targeting the correct participants from each institution in each country, in order to create a critical mass of capacities, thus contributing towards institutional capacity-building; (c) an exit strategy and risk analysis should be sufficiently integrated into project designs; (d) to enhance gender mainstreaming in future projects, UNCTAD should consider organizing a seminar on gender monitoring and provide readily usable tools for project officers to integrate gender perspectives into future project designs and implementation; (e) UNCTAD should collaborate with the United Nations Institute for Training and Research to explore ways of continuing to offer online courses and to promote the courses to Governments that have already expressed their interests in training their employees in the subject area.

II. Lessons learned

26. Lessons learned from the previous report on the evaluation of UNCTAD activities (TD/B/WP/254) remain a recommended reference for programme managers and project officers in designing and managing their programmes and projects. The evaluations in the current report have led to several new notable lessons learned for consideration, as detailed in the following paragraphs.

A. Lessons learned on project design

27. Project managers should design mechanisms into their project plans that will be conducive to attracting follow-up actions and funding, such as building a partnership approach into project implementation, in order to contribute to generating tangible results and ensuring sustainability.

28. A gender-responsive stakeholder analysis undertaken at the project design stage will ensure the involvement and effective participation of all relevant actors, leading to the reflection of their needs in project designs.

29. Project managers need to consider the merits of breadth versus depth when determining the number of participants and participating countries in a project's activities. There should be a reasonable balance attained, particularly if the objective of a project is to build capacities, in order to ensure that the activities bring about concrete changes and benefits to the targeted beneficiaries. Pursuing an inclusive approach will likely lead only to awareness-raising.

30. The use of in-house expertise should be systematically designed into projects to leverage the knowledge gained from and achievements and best practices of other projects.

31. United Nations Development Account projects should be well aligned with the work plan and programme of the implementing project officers and the

responsible division. This will ensure that adequate staff resources are specifically allocated to manage the projects and contribute towards synergies during project implementation, as well as the sustainability of project outcomes.

32. The early engagement of stakeholders at the project design stage through consultations and during the conduct of a needs assessment exercise would enhance the relevance of a project and increase buy-in by stakeholders.

B. Lessons learned on implementation approaches

33. Project managers are encouraged to use participative and interactive approaches in the forums and workshops that they organize, in order to encourage the active engagement of participants in such activities, while at the same time obtaining their buy-in on the subject matter.

C. Lessons learned on monitoring and evaluation

34. A baseline study should be included in all projects as part of the project preparatory phase, in order to enable a more impact-oriented monitoring and evaluation process.

35. A monitoring plan that includes the collection of gender disaggregated data will better allow the tracking of progress against gender objectives, as stipulated in most project plans.

III. Evaluation plan for 2015

36. The Working Party on the Strategic Framework and the Programme Budget fulfils an important oversight function through its consideration each year of external evaluations of UNCTAD programmes. The subject of the evaluation is usually in accordance with a three-year evaluation plan that is approved by the Trade and Development Board. In accordance with established practice, following decision 2003/7 of 19 September 2003 (see TD/B/50/12-TD/B/WP/169, chapter I, section B) to invite the secretariat to propose future evaluation plans, the secretariat proposed an evaluation plan for 2013–2015 that was considered by member States at the sixty-third session of the Working Party. In line with the decision of the Trade and Development Board at its fifty-ninth session regarding measures to strengthen results-based management and the evaluation of programmes of work, the Working Party agreed at its sixty-third session to a trial implementation of the new approach of ensuring the systematic evaluations of UNCTAD subprogrammes.

37. Accordingly, in 2013, the Working Party considered the external evaluation of subprogramme 1 and, in line with the outcome of the Working Party at its sixty-fifth session, will consider the external evaluation of subprogramme 2 at its sixty-eighth session.

38. Also at its sixty-fifth session, the Working Party agreed to take note of the evaluation plan proposed for 2015, which will be reconsidered at its sixty-eighth session. For 2015, the external evaluation of subprogramme 3 on international trade has been proposed.

39. The Working Party is invited to review this next iteration of the evaluation plan and to submit its conclusions and recommendations to the Trade and Development Board.

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External evaluation of UNCTAD subprogramme 2: Investment and enterprise[1]

Executive summary

The Trade and Development Board, at its sixtieth annual session, requested the UNCTAD secretariat to conduct an independent evaluation of subprogramme 2 on investment and enterprise (SP2). To do so, UNCTAD recruited a team of two independent consultants, and two member State representatives who participated in their personal capacity. The evaluation covers the work programme period 2010–2013. The evaluation was conducted between late March and mid-June 2014. It follows the Organization for Economic Cooperation and Development (OECD)/Development Assistance Committee and United Nations principles for evaluation.

The subprogramme has a solid, established record of data development and research, consensus-building and technical cooperation. It is implemented by the Division on Investment and Enterprise (DIAE).

The subprogramme's database on foreign direct investment (FDI) is unique. Its research on issues and policies revolving around FDI is highly valued by policymakers and private investors. The technical support provided through research and consensus-building and through technical cooperation products is in high demand, though with limited extrabudgetary resources, the Division may struggle at times to respond to all demands as expeditiously as desired.

The Division is well managed by a very cohesive and dynamic senior management team, with creative ideas and enthusiasm for innovation. It is against this background that many of the key findings and recommendations presented here might be seen.

[1] This evaluation was prepared by an independent evaluation team: Mr. Thierry Noyelle and Mr. Achim Engelhardt, with Mr. Jüri Seilenthal and Ms. Preeti Rahman. Supporting materials for this evaluation are presented in document TD/B/WP(68)/CRP.2.

The main conclusions are:

(a) SP2 gets strong marks for the relevance of its core products and services. Each core product incorporates elements of all three UNCTAD pillars: research and analysis, consensus-building and technical cooperation. Relevance has been strengthened over the past few years through the introduction of a rigorous research and development process. SP2 is strongly aligned with various Millennium Development Goals and has a critical role to play in the discussion on the contribution of FDI and private sector investment to development in the post-2015 sustainable development goals.

(b) SP2 delivers significant impact. If anything, current reporting, whether against the United Nations Strategic Framework for the biennium 2010–2011 and biennium 2012–2013 or the Division's current annual *Results and Impacts Report* (which already goes beyond the mandatory United Nations reporting requirements), tends to underreport the extent of SP2's impact.

(c) SP2 appears effective in delivering expected activities and outputs against the United Nations Strategic Framework. Given the limitations of the Strategic Framework, however, it is difficult to fully appraise effectiveness against targeted outcome changes and development impacts.

(d) DIAE is working on introducing newer, interactive websites that are cutting edge.

(e) DIAE delivers much with limited resources. Access to sufficient extrabudgetary resources to meet requests for technical assistance is a challenge. Additional use of enhanced information and communications technology (ICT) should help stretch limited extrabudgetary resources further.

(f) Beneficiaries' gains from SP2 are broadly sustained, though African countries, least developed countries (LDCs), small island developing States (SIDS), landlocked developing countries (LLDCs) and other structurally weak, vulnerable and small economies face greater challenges in this area. Additional extrabudgetary resources and some limited post-intervention services of SP2 towards its beneficiaries would likely further strengthen sustainability. This would respond to a demand expressed by them.

(g) With limited exceptions, gender equity and women's empowerment are not a strong focus of SP2, though this seems broadly true for the whole of UNCTAD. Green economy issues are more present in several areas of SP2's current work programme.

Recommendations include:

1. Member States to ensure a continued leading role for SP2 in the ongoing debate on the strategic importance of FDI and private sector investment in achieving development goals under the post-2015 sustainable development goals.

2. DIAE to continue its systemic review and updating/upgrading of SP2 core products.

3. DIAE to generalize consistent use of measurable results chains based on SMART (specific, measurable, achievable, relevant and time-bound) indicators, with a focus on outcome changes, for planning, monitoring and management purposes of all results chains shown in *Results and Impacts Reports*. DIAE to track more consistently the long-term development impact of investment-related and private sector-related work among SP2 beneficiary countries at the programmatic level.

4. DIAE to continue updating and revamping SP2's websites to improve the effectiveness of outreach and communications. UNCTAD to be supportive of the need for decentralization at division and branch levels when developing websites to interact with beneficiaries.

5. DIAE to expand its use of distance learning and e-learning when delivering core products to increase outreach with limited resources.

6. DIAE to increase its foothold in Government–development partner dialogue taking place at the country level as a means of accessing additional extrabudgetary resources, with support from the Technical Cooperation Service.

7. DIAE to introduce an "aftercare" service to provide light support to beneficiary countries after projects conclude.

8. Member States to look at how best to increase SP2's access to extrabudgetary resources, including through Aid for Trade funding mechan.sms.

9. DIAE to use current sustainable development goals-related work to revisit how best to strengthen gender equity issues in SP2 work.

I. Evaluation of UNCTAD subprogramme 2: Investment and enterprise

A. Context

1. The Trade and Development Board, at its sixtieth annual session, agreed with the conclusions of its subsidiary organ, the Working Party on the Strategic Framework and the Program Budget, which included a request to the UNCTAD secretariat to conduct an independent evaluation of subprogramme 2 on investment and enterprise. The Working Party will consider the results of the evaluation at its sixty-eighth session.

2. The primary audience of the evaluation report is intended to be UNCTAD member States, UNCTAD senior management, including the management of SP2, SP2 stakeholders, mainly policymakers, private stakeholders operating in the area of investment and enterprise development, including investors as well as small and medium enterprises, and civil society, including academia.

3. To carry out this evaluation, UNCTAD recruited a team of two independent consultants, and two member State representatives who participated in their personal capacity. The evaluation covers the work programme period of 2010–2013. The evaluation was conducted between late March and mid-June 2014.

4. The evaluation is based on the five criteria for evaluations of the Development Assistance Committee and the United Nations: relevance, impact, effectiveness, efficiency and sustainability. The evaluation also addresses two cross-cutting objectives: gender equality/women's empowerment and green economy/environmental sustainability. Those seven criteria, and the questions addressed under each, are summarized in annex I of document TD/B/WP(68)/CRP.2.

B. Methodology

5. Given the SP2 portfolio's broad scope, the evaluators focused principally, but not exclusively, on the following six areas:

(a) Strategic management:

(i) Management tools: results chains, workplans, monitoring and evaluation of impacts

(ii) Internal and external constraints and risk mitigation

(iii) Review and refinement of strategic directions and positioning of the subprogramme

(iv) Synergies among the three pillars of work (data and research, consensus-building, technical cooperation) including through the use of core products, enhanced information technology, networking and other means.

(b) Forward planning:

(i) Strategic role of SP2

(ii) New product development, e.g. Principles for Responsible Agricultural Investment (PRAI), Investment Policy Framework for Sustainable Development (IPFSD) and others

(iii) Use of flagship products (*World Investment Report*, World Investment Forum) for identification of new issues such as global value chains, sustainable development goals and others

(iv) Use of new international forums for research and policy development and consensus-building (Group of Eight, Group of 20, regional integration organizations, World Investment Forum, others)

(c) International investment agreements (IIAs)

(d) Investment Policy Reviews (IPRs)

(e) E-regulations

(f) Enterprise development through Empretec.

6. This selection provided the evaluation team an opportunity to take a more detailed look into part of the work of the Division's four branches. The team also looked at the use of data research for tracking development impacts, investment guides, green FDI promotion, Business Linkages and the Accounting Development Tool.

7. To develop evidence, the team used structured survey instruments and semi-structured interviews with beneficiaries, representatives of UNCTAD member States, DIAE staff and management, senior UNCTAD managers and representatives from other development organizations. In addition, the team carried out desk research, data analysis and field visits. Well over 100 individuals were interviewed and surveyed during the evaluation (see TD/B/WP(68)/CRP.2, annex II). The selection of countries was driven by a focus on LDCs and lower income countries; countries with several DIAE technical assistance activities implemented in the recent past; and geographical coverage (time and resource limitations did not permit inclusion of an Asian country.) Due to the growing focus of some Division support on regional groupings, the team also chose to visit one such grouping (the Common Market for Eastern and Southern Africa (COMESA), which works with DIAE on FDI data and IIAs).

II. UNCTAD subprogramme 2: Investment and enterprise

A. Objective of subprogramme 2

8. The objective of SP2, as defined in the United Nations Strategic Framework for the biennium 2012–2013, is:

> To ensure development gains from increased investment flows, designing policies, enhancing international competitiveness and boosting productive capacities of all developing countries, in particular those in Africa and least developed countries, as well as landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies.[2]

9. The expected accomplishments of the secretariat under this objective are fourfold:

(a) Increased understanding of various key public and private investment issues and the impact of foreign direct investment on development, as well as of related policies that could promote development gains from such investment;

[2] A/66/6 (Sect.12), pp. 22 ff.

(b) Increased ability of developing countries to create an environment conducive to attracting and benefiting from investment for development;

(c) Increased understanding of key and emerging issues related to international investment agreements and their development dimension and enhanced capacity in negotiating and implementing investment treaties and managing investor–State disputes;

(d) Enhanced understanding and capacity to develop international competitiveness through the development of policies aimed at: (i) stimulating enterprise development and business facilitation; (ii) promoting best practices in corporate social responsibility and accounting; and (iii) establishing competitive and well-regulated insurance markets.[3]

10. The objective and expected accomplishments of SP2 are grounded in the mandates provided by members States in Doha (UNCTAD XIII), Accra (UNCTAD XII) and other United Nations conferences and summits and are operationalized by the General Assembly as part of the biennial programme budget process of the United Nations.

B. UNCTAD Division on Investment and Enterprise

11. Substantive responsibility for SP2 is vested in DIAE,[4] which is organized into four branches:

(a) Investment Trends and Issues Branch

(b) Investment Policies Branch

(c) Investment Capacity-Building Branch

(d) Enterprise Branch.

12. Under its strategic management approach, the Division stresses, among others:

(a) Use of three strategic approaches to deliver its work programme including: (i) a core-product approach; (ii) an information technology-enhanced approach; and (iii) a networking and partnership approach

(b) Production of two flagship products: the *World Investment Report* and the World Investment Forum

(c) Use of several core products/brand services, each of which incorporates elements of UNCTAD's three pillars (data and research; consensus-building; technical cooperation).

III. Findings

A. Relevance

13. SP2 receives strong marks from beneficiaries for helping shape a policy framework for FDI at global, regional and national levels including through the recent introduction of its IPFSD. The IPFSD captures important dimensions of the emerging debate on the contribution of private sector investment and FDI to sustainable development.

[3] Ibid.
[4] Ibid.

14. The work of SP2 is in line with Millennium Development Goal 1 (eradicate extreme poverty and hunger) through investment, enterprise development and job creation (e.g. IPRs, IIAs, Empretec, FDI promotion) and Goal 8 (global partnership for development, which includes issues such as strengthening the role of the private sector in sustainable development and promoting transparency and good governance) through business facilitation (e.g. e-regulations), the World Investment Forum and the Sustainable Stock Exchanges Initiative. The subprogramme does less on Goal 3 (promote gender equality and empower women) as discussed later in the present evaluation and is increasing its work in areas related to Goal 7 (ensure environmental sustainability) including through the IPFSD, green investment promotion and the PRAI. In addition, through the 2014 editions of the *World Investment Report* and the World Investment Forum, the Division is focusing on the role that private sector investment may play in the post-2015 sustainable development goals.

15. In 2009, DIAE undertook a thorough process of reviewing, updating and upgrading its portfolio of core products. Findings from the present evaluation suggest that this process should be continued, as beneficiaries recommend further improvements for Empretec and IPRs.[5]

16. The review launched in 2009 has led partially to the establishment of a coherent, organized mechanism for research and development at the divisional level. A major change in that regard is the implementation of a formal process that links identification of issues to research and analysis, consensus-building, upgrading of existing core products and/or introduction of new core products. Once emerging issues have been identified, the process of research and analysis is typically launched using chapter 4 of the annual *World Investment Report* to develop a particular theme. To go beyond their introduction in the report, the Division has sought to take those new themes and issues through more consistent vetting via the intergovernmental consensus-building process and, from there, to the core product level, leading to upgrading and/or introduction of new technical cooperation services. For instance, the work on global value chains (*World Investment Report 2013*) has been used to start two country-level pilot projects to explore how the technical cooperation through the Business Linkages programme can refocus on global value chains, while the IPFSD principles (*World Investment Report 2012*) are integrated fully into the support provided by the Division's IIA Section. Relevant examples follow.

1. Research and analysis

17. For over 30 years, DIAE (and the former United Nations Centre on Transnational Corporations) has been the developer of a data set on FDI that is unique and highly valued by policymakers, investors, opinion makers (including journalists) and civil society (non-governmental organizations, academia). The *World Investment Report* was highly praised by the individuals interviewed and more than a few member State representatives indicated that it was one of very few reports that they read from beginning to end each year. The *Global Investment Trends Monitor*, introduced recently, provides quarterly updated data and reviews of policies that are welcomed by stakeholders who no longer need to wait for annual updates.

[5] Suggestions include the introduction of an explicit implementation schedule in the initial IPR for joint monitoring by a given country and DIAE, plus some "aftercare" support to help keep momentum for reform and strengthen sustainability. Also, as currently designed, Empretec has a long gestation period. Certification of local trainers is lengthy and training of trainees often demands a large time commitment from people running businesses. The suggestion is to introduce light versions of certain training products and to use e-learning tools to reduce dependency on local trainers.

18. Valued databases maintained by the Division include, for example, the IIA database that offers a comprehensive repository of all bilateral investment treaties (accessible through the Investment Policy Hub website), the database on investor–State dispute settlements and the database on green investment opportunities. Recent evaluations of the work on FDI statistics and investment policies confirm their high relevance.[6]

2. Consensus-building

19. Policy outputs from SP2 are discussed through the various UNCTAD intergovernmental mechanisms including the Trade and Development Board, Working Party, quadrennial Conferences and meetings of the Investment, Enterprise and Development Commission as well as through other United Nations mechanisms and conferences, including but not limited to the General Assembly.

20. In addition, SP2 has adapted to the emergence of other venues that are important for the formulation of views and approaches to key policy issues pertinent to investment and enterprise. Hence, SP2 responds to specific requests from meetings of the Group of Eight and Group of 20 (often in cooperation with the World Bank, OECD and other international organizations), provides inputs to the work of various regional compacts (e.g. COMESA, Association of Southeast Asian Nations) and has developed the World Investment Forum – a high-level, biennial forum for policymakers, private sector investors and other stakeholders. Interviewees of the present evaluation indicate that the World Investment Forum, in comparison with the World Economic Forum, provides a more balanced mix of participants in its make-up and comes at a much lower cost to beneficiaries.[7]

3. Technical cooperation

21. With regard to the four core products subject to structured survey assessment under the present evaluation, 96 per cent of country stakeholders give SP2 high to very high ratings in fulfilling their countries' needs and 75 per cent indicate high value added resulting from SP2 support, often described as cutting edge (see TD/B/WP(68)/CRP.2, appendix 1). Technical cooperation received at the country level, through IPRs, Empretec, e-regulations and IIAs, is viewed as timely (approximately 70 per cent of respondents are highly or very highly satisfied) – though mobilizing extrabudgetary funding may delay timely implementation (a concern raised in particular for Empretec and IPRs). Indeed, as more countries learn about the experience of others with core product technical assistance, the demand for some services may increase more rapidly than SP2 is able to mobilize resources (this is discussed further below).

22. Findings from the surveys also suggest limited duplication between technical cooperation provided by DIAE and that provided by other development organizations. For instance, respondents indicate that, while the OECD provides services in the areas of investment reviews and IIAs, those services are often perceived as advocating a particular point of view in comparison with IPR and IIA services provided by UNCTAD. Also, as noted in the survey responses, beneficiaries see Empretec as providing a unique niche by focusing on helping entrepreneurs change their mindset and behaviour towards business

[6] L van Oijen, 2012, External evaluation of UNCTAD Project Account: Support to decision-making and policy formulation on FDI in the context of the Millennium Development Goals and the Monterrey Consensus, UNCTAD; A Engelhardt, 2014, Final evaluation of UNCTAD Development Account Project: Towards developing a global monitoring system in national investment policies (2010–2013), UNCTAD.

[7] For many developing countries, the cost of participating in the World Economic Forum is prohibitively expensive.

development. Finally, 93 per cent of the respective respondents from LDCs, SIDS, LLDCs and other structurally weak, vulnerable and small economies indicate that SP2 technical assistance is usually well adapted to their particular situation and needs.[8]

4. Conclusions

23. The relevance of SP2 core products has been strengthened recently through the introduction of a rigorous research and development process that allows DIAE to review, upgrade or add to its portfolio of core products in a coherent and deliberate manner.

24. The research and development process links the output of new research more deliberately to consensus-building and upgrading of core products. The absence of such a process in the past meant that some interesting policy ideas developed in the *World Investment Report* were not always taken to their full conclusion.

25. SP2 is strongly in line with various Millennium Development Goals, especially Goals 1 and 8. SP2 is focusing on how best to adapt its product portfolio to identify the role of and opportunities for private investment, including FDI, in the post-2015 sustainable development goals. Because of SP2's in-depth joint engagement with private sector investors and policymakers on design, consensus-building and implementation of key investment policy issues through many of its core products, including but not limited to IIAs, the World Investment Forum, *World Investment Report*, the Sustainable Stock Exchanges Initiative and PRAI, the subprogramme has a key role to play in the ongoing discussion on the contribution of FDI and private sector investment in achieving development targets under the sustainable development goals.

5. Recommendations

1 Member States might consider steps to strengthen the special role SP2 can play in ongoing and future discussions of the contribution of FDI and private sector investment to the pursuit of post-2015 sustainable development goals.

2 The Division should continue its systemic review of core products and brand services and continue upgrading its portfolio and individual products, as needed.

B. Impact

1. Why track impact and how is it tracked presently?

26. All member States want to see measurable results. The transformation of the dialogue between beneficiaries and donor countries in line with the Paris Principles on Aid Effectiveness, and subsequent refinements in Accra and Busan, Republic of Korea, has resulted in a new and healthier debate about the alignment of donors' technical cooperation with development targets set by recipient countries, the sharing of responsibilities between recipients and donors for achieving changes (donors, for implementing supportive technical cooperation programmes and beneficiaries, for following through on outcome changes), and greater transparency including improved shared measurement and monitoring of impacts. In this context, UNCTAD, like other United Nations agencies, is under pressure to strengthen its measurement, monitoring, planning and reporting of impacts. In interviews conducted as part of the present evaluation, representatives from both developing and

[8] Confirmed by several evaluations of SP2 core products. See overview table of recent SP2-related evaluations (TD/B/WP(68)/CRP.2, appendix 3).

developed member States did stress the need to better understand the impact of UNCTAD's various subprogrammes.

27. SP2 reports on its performance against the United Nations Strategic Framework, which undergoes intergovernmental review and eventual endorsement by the General Assembly. Performance indicators in the Strategic Framework are mostly a mixture of measures of activities and outputs, with a few indicators of changes.

28. In addition, DIAE has put in place an elaborate system of annual workplans and an annual *Results and Impact Report*. Specifically, the Division has developed a detailed workplan matrix cross-referencing its outputs against (a) delivery expected under the quadrennial mandate and specific General Assembly requests, (b) the part of the Strategic Framework relevant to SP2 of UNCTAD, (c) the Division's core products and (d) the DIAE team responsible for delivery. The workplans are reviewed approximately three times a year by the Director with the heads of Division branches, which allows for clear, internal monitoring of output delivery. The annual *Results and Impact Reports* describe and explain to a larger audience, in some detail, the wide range of outputs delivered by the Division during a calendar year. In addition, through its performance appraisal framework, the Division goes some distance in self-appraising the relevance, quality, efficiency and effectiveness of its interventions. Under the effectiveness criteria, the performance appraisal framework does show some indicators of outcome changes by beneficiaries associated with the Division's work.

29. In terms of transparency and reporting, the annual *Results and Impact Report* undoubtedly goes far beyond what is asked for under mandatory reporting requirements. However, the evaluation team observes that current reporting tools quite likely still underreport SP2's impact on outcome changes and development impacts among beneficiaries.

30. The Division is in a unique position to go one step further, due to the strength of its management and the effort already invested in the *Results and Impact Reports*, and turn the core product results chains described in those reports into measurable results chains, based on SMART indicators that can be used for planning, monitoring and management purposes. As the evaluation team uncovered, SP2 is already de facto using measurable results chains for three core products.[9]

31. In this context, the evaluation team sought to assess long-term, economy-wide development impacts at the programmatic level and medium-term outcome changes among direct beneficiaries at the core product level as well as to highlight how measurable results chains could be developed for each core product.

2. Tracking development impact at the division level

32. To track dimensions of long-term development impact, for the purpose of this evaluation, two analyses were conducted. First, two groups of countries were identified: countries that have benefited from investment-development related technical cooperation support from UNCTAD (combining the lists of countries that have benefited from technical cooperation under IPRs, e-regulations and investment guides) and a group of comparator

[9] This is the case for e-regulations, Empretec and IIAs, which uses a results framework developed in conjunction with Swiss funding to support its work. In the case of Empretec, however, the monitoring and evaluation framework developed for the programme does not appear to be implemented consistently. The Accounting Development Tool develops interesting scattergrams for each beneficiary that could be used as baseline and target indicators for monitoring and evaluation purposes.

countries that have not benefited from similar assistance. Each group was further divided into four main subgroups: African countries, South and South-East Asian LDCs, Latin America and the Caribbean countries and Central European and Central Asian countries (see TD/B/WP(68)/CRP.2, note to figure on list of countries).

33. A first analysis was developed comparing FDI growth among SP2 direct beneficiary and comparator countries for each of the four subgroups (see TD/B/WP(68)/CRP.2, figure). A second analysis was developed using the 2009 country rankings for FDI economic contribution presented in the *World Investment Report 2012* and comparing the median ranking for SP2 direct beneficiary and for comparator countries (TD/B/WP(68)/CRP.2, table 5). The 2009 index uses limited measures of employment, tax revenues and selected other factors to assess the economic impact of FDI. Unfortunately, because of limited data availability, that comparison could be developed only for Latin America and the Caribbean countries.

34. While admittedly somewhat crude, these analyses do suggest more favourable performance with respect to FDI growth and its economic impact among direct beneficiaries of SP2 assistance than in comparator countries. The median ranking of Latin America and the Caribbean countries having received support from SP2 for economic impact of FDI was 30 in 2009; the median ranking of comparator countries was 54 (the lower the number, the higher the impact). In general, it would be useful to develop these or similar analyses (including for work in the area of enterprise development) in a more consistent manner to help the Division show the extent to which SP2 works towards the broad development impact expected under its mandate.

3. Tracking outcome changes at the core product level

(a) Research and analysis

35. Research is a public good whose impact is difficult to track because of the multiplicity of stakeholders that may benefit from it, because it can be quite indirect and because its influence on change may come about rapidly or may require a long gestation period.

36. As mentioned earlier, data and research are elements of each core product. Hence, the impact of SP2 work in this area can be tracked, to a significant extent, through the impact of other core products such as those reviewed further below. The impact of other core products is typically significant. But since DIAE identifies data and research (information systems) as a core product, it would be helpful to develop a measurable results chains (or subset of results chains) for this particular area. This could be done using impact pathways and knowledge, awareness and practice surveys as instruments to measure baselines and targets for UNCTAD to track such impacts.[10]

(b) Consensus-building

37. Table 1 in document TD/B/WP(68)/CRP.2 shows, in simple and measurable ways, the scope of activities and outputs for one key area with a strong consensus-building dimension – namely IPFSD – delivered by UNCTAD (dark highlights in the table are for the period 2010–2013) and outcome changes at the beneficiaries level as measured by the kind of IIAs concluded (light highlights, for the period 2010–2013). As shown in the table, in line with the emerging new paradigm for IIAs, the inclusion of "liberalization" features

[10] See, for example, use by the Consultative Group on International Agricultural Research and by the Department for International Development, United Kingdom of Great Britain and Northern Ireland.

grows from 25 to nearly 60 per cent between 2010 and 2013 in IIAs for which text is available, and the inclusion of "sustainable development" features, from 50 to nearly 80 per cent. The table also shows the emerging role played by IPFSD principles in the way in which new investment agreements are being formulated.

38. The PRAI is another area where consensus-building and research are leading to changes. Evidence collected during the evaluation suggests a coherent process of step-by-step adoption and gradual implementation of the Principles by Governments of the Group of 20 and private sector actors.

(c) Technical cooperation

39. The Division implements a significant number of technical cooperation activities at the global, regional and country levels. Fifty-nine per cent of the surveyed stakeholders perceive the impact as high to very high; 61 per cent perceive a high or very high impact of SP2 on enterprise creation; and 56 per cent perceive a positive impact of SP2 on job creation (see TD/B/WP(68)/CRP.2).

40. Again, as examples, tables 2 through 4 in document TD/B/WP(68)/CRP.2 suggest significant, measurable immediate impacts of technical cooperation at the country level through measures adopted by beneficiaries. All countries where an IPR implementation report has been completed show implementation of legal, regulatory and institutional reform carried out in line with those identified in the original IPR (with a full or substantial completion rate varying from 20 to 80 per cent of all reforms planned, depending on the country). The median reduction in the number of steps for business registration in the 12 countries most advanced in the implementation of e-regulations is 70 per cent; the median reduction in the number of days required to register, 62 per cent. Of the 32 countries where Empretec centres are operational, 23 have been fully weaned off donor support.

41. At this stage, these tables are ex post facto constructs, but they suggest that clear logical frameworks with simple SMART indicators can be developed to support an approach based on measurable results chains and be used for planning, monitoring and management purposes.

4. Risk mitigation

42. As described earlier, the Division does use a coherent process of new research, consensus-building (including peer review by experts) for vetting and debating new or updated core product ideas, as well as field testing of new core product designs as warranted to mitigate some of the risks associated with each core product, particularly to ensure relevance through feedback. Along with the formulation of measurable results chains using SMART indicators for each core product, DIAE would benefit from developing explicit risk matrices for each key results chain.

5. Conclusions

43. Limited data research conducted in the course of the present evaluation suggests that SP2 is delivering significant impacts. It also suggests that current reporting tools underreport SP2 results on outcome changes and development impacts among beneficiaries.

44. As found during the evaluation, DIAE is already using measurable results chains for planning and monitoring purposes for at least three core products, in line with those described in its *Results and Impact Report*. While a switch to comprehensive use of measurable results chains goes well beyond what is being asked for under mandatory reporting requirements, expanding the use of such measurable result chains across all key core products would allow better planning and monitoring of each, as well as stronger tracking of the depth of SP2's impact.

6. Recommendation

3 SP2 should operationalize all results chains described in the *Results and Impact Reports* to plan, manage and monitor for targeted outcome changes across all DIAE core products. Results chains should be measurable through the use of SMART indicators and include the formulation of explicit risk matrices and risk mitigation strategies.

In addition, DIAE should track more consistently the long-term development impact of investment-related and private sector-related work among SP2 beneficiary countries at the programmatic level.

C. Effectiveness

45. Eight recent evaluations reviewed in appendix 3 of TD/B/WP(68)/CRP.2 point to effectiveness of SP2 delivery with respect to individual projects. The Division's own reporting against the part of the United Nations Strategic Framework relevant to UNCTAD's SP2 suggests effective delivery of outputs and activities against the indicators of achievements set out in it.

1. Research and analysis

46. As mentioned earlier, the Division delivers a set of data on FDI flows that is unique and undoubtedly highly valued and extensively used by policymakers and other stakeholders that influence the policymaking debate through research, public information, etc.[11] The development of the quarterly, online *Global Investment Trends Monitor* is a good example of steps taken to increase effective access to information.

2. Consensus-building

47. The recent introduction of the IPFSD now reflected in the technical support provided by the Division in the area of IIAs is clearly accompanied by a shift in the way in which new IIAs are being formulated (see TD/B/WP(68)/CRP.2, table 1). The IIA beneficiaries surveyed indicate a strong relation between the effectiveness of the support through research, consensus-building and technical support they are receiving from UNCTAD in this area. Eighty per cent of respondents to the survey give SP2 a high rating in strengthening their ability to negotiate different and better IIAs.

3. Technical cooperation

48. The three tables in document TD/B/WP(68)/CRP.2 covering IPRs, e-regulations and Empretec suggest significant delivery combined with differences in the depth of outcomes achieved among countries. That should be expected. No technical cooperation programme can expect 100 per cent delivery of outcomes all of the time. Still, 64 per cent of the stakeholders surveyed for the three core products rate SP2's effectiveness as very high and 27 per cent, as high. Ultimately, outcome changes are the result of choices and decisions made by countries, though such decisions should be encouraged and enhanced by the research, consensus-building and technical cooperation provided by the development organization.

[11] "COMESA issued its first Investment Report in 2011 (…) in which the technical support provided by UNCTAD in capacity-building in statistics of FDI and activities of TNCs [transnational corporations] in COMESA member States is explicitly acknowledged" (van Oijen, 2012).

49. In the course of the survey and field work, a number of beneficiaries identified a lack of backstopping support following delivery of DIAE technical assistance, which would help them identify more effectively the DIAE branch or branches, UNCTAD divisions or the other development partners that might be in a position to assist them with needed follow-up technical assistance (for further discussion on sustainability, see section E, chapter III below).

4. Challenges encountered during implementation

50. The main difficulty encountered during implementation is the mobilization of extrabudgetary resources for core products that are more dependent on such funding. This issue is discussed under efficiency (see section D, chapter III below).

5. Best management practices

51. This evaluation identifies a number of best practices that are discussed in greater details in different sections of the present evaluation. They include:

(a) A rigorous research and development process used to improve, upgrade and strengthen the Division's portfolio of core products

(b) A consistent approach to incorporating elements of the three pillars in each core product

(c) Introduction of new, interactive websites that are changing the nature of the dialogue with beneficiaries and the process of information sharing

(d) A template for workplans that help the Division track and manage its annual delivery of activities and outputs against its four-year mandate

(e) Co-funding as a means to stretch limited extrabudgetary resources.

52. In the view of the evaluation team, UNCTAD would benefit from more widespread dissemination and sharing of these best practices across other divisions.

6. Conclusions

53. Evidence from recent evaluations indicates that SP2 delivers results at the project level. The current formulation of the United Nations Strategic Framework limits assessment of the overall effectiveness of SP2 against outcome changes and development impacts.

54. Mobilization of required extrabudgetary resources is a challenge for the implementation of technical assistance activities.

55. DIAE relies on a number of successful management practices that should be shared within UNCTAD.

D. Efficiency

1. Efficiency in delivering core products

(a) Research and analysis

56. The *World Investment Report* is widely read and highly praised by those who use it, as are the data on FDI and a number of other databases. In addition, the Division has a long tradition of producing each year a large number of research reports published in printed form. In an age of rapidly changing communications tools driven by Internet technology and social networks, new types of information needs and new tools have emerged and could be used more extensively. DIAE is moving in that direction (see below).

(b) Consensus-building

57. As noted earlier, the Division has done a substantial job in adapting to the increasing number of venues for consensus-building and sharing its expertise with other organizations (regional integration organizations, Group of 20 and others). This has come about in response to demand but also as a means to expand the consensus-building discussion beyond traditional venues and at a limited cost to DIAE. For instance, work with COMESA and other regional organizations has been funded through development assistance provided by donors to those organizations. In addition, an interactive forum like the Investment Policy Hub offers opportunities to make some of the policy discussion even more real time and better structured by directly involving national government experts. This can lead to a far less expensive process of consensus-building, with a reduced carbon footprint through the virtual nature of some of the interactions.

(c) Technical cooperation

58. Overall, 59 per cent of survey respondents rate SP2's delivery of the technical assistance sampled for this evaluation as efficient or very efficient.

59. To increase the impact of limited resources available for technical cooperation, core products have shifted deliberately away from national training workshops to regional ones. This is the case, for example, for IIAs and investment promotion services. This makes sense but comes at a risk, especially for LDCs and other countries with limited human resources. Getting, for example, two people trained through a regional workshop as opposed to a dozen or more through a national workshop may be less than optimal. Many beneficiaries raised this point during the evaluation.

60. One possible way around this is to increase the use of distance learning in combination with regional workshops. For instance, the Division's IIA Section has been looking at using live Internet streaming to link small audiences of trainees in a country with a regional workshop. Combined with chat tools, this could allow for the involvement of a larger number of individuals in regional trainings and to allow them to have questions and answers through Internet chatting. The Division section dealing with investment promotion training has tried using distance learning tools developed by another UNCTAD division to deepen its reach. The Division section dealing with accounting has made some use of videoconferencing. In short, there is potential to upscale SP2's use of enhanced ICT, with 54 per cent of overall survey respondents providing high to very high ratings for the use of ICT for training – compared to 30 per cent giving medium, low or very low ratings. Positive and negative lessons from those various experiments should be drawn across the Division to deepen the use of the right mix of distance learning wherever applicable.

2. Efficiency in the use of new Internet-based communications

61. The Division has undertaken the task of revamping its websites to the make best use of new ways in which information is presented and delivered to beneficiaries in today's Internet-based economy. This has led to new websites such as the one on investment guides (iGuides) for investment promotion, which provides immediate access to up-to-date information such as conditions for access to land, labour costs, productivity, etc., the e-regulations country websites that describe, step by step, key administrative procedures required for companies to register, apply for various permits, etc., and the new user-friendly Investment Policy Hub, with its interactive policy forum. These new websites are improvements from a previous generation of websites which, in most cases, were little more than repositories of printed reports. One evaluation points towards significant cost

savings when resources are redeployed towards new communications tools as well as the positive impact of interactive websites in seeking more immediate feedback from and generating a different kind of interaction with stakeholders.[12] The revamping of websites remains limited and much work remains to bring the entire portfolio up to a similar set of objectives and standards (see TD/B/WP(68)/CRP.2, table 6).

62. The new interactive websites require inputting and updating of information by stakeholders themselves. This demands training of national counterparts and close interaction between them and the DIAE team responsible for a given core product. This also points to the need for allowing a fair amount of decentralization in the website development process, away from UNCTAD's central web unit. With clear criteria in place, this can be done without compromising the need to develop a single, integrated corporate image and shared standards across the whole of UNCTAD's websites.

3. Coordination with other development agencies, other UNCTAD divisions and within DIAE

63. The Division cooperates with other development organizations frequently. Fifty-nine per cent of the overall number of stakeholders surveyed rate coordination with other development organizations as high to very high. The IIA Section, for instance, cooperates regularly with universities, the International Institute for Sustainable Development, the OECD Development Centre and others. By way of another example, the PRAI, which has been adopted by both the Group of Eight and Group of 20, is a joint endeavour of the Division and the World Bank, the Food and Agriculture Organization of the United Nations and the International Fund for Agricultural Development. The four agencies are pursuing further research and technical cooperation in support of the Principles. Significant other work for the Group of Eight and Group of 20 is done jointly with other multilateral agencies, as for instance in the case of the work on measurement of the impact of global value chains on countries.

64. Based on the interviews conducted, the evaluation observes that coordination with other UNCTAD divisions seems quite limited, though this pattern would seem to apply to the whole of UNCTAD, not just DIAE.

4. Regular budget and extrabudgetary resource mobilization

65. For the 2012–2013 biennium, SP2's regular budget included funding for 79 posts (professional and general service staff) for an estimated annual budget of slightly over $25 million over two years, as compared to 81 posts in the 2002–2003 biennium. This is an increase in view of the fact that, in the interim, SP2 shed the technology component of the subprogramme, formerly under its wing. Ninety-six per cent or more of the regular budget goes to personnel costs, meaning that it includes very limited resources (slightly less than $1 million for the 2012–2013 period) to cover the costs of other inputs (e.g. travel, consultants, training workshops, etc.) associated with the implementation of SP2. In addition, during the period 2010–2013, the Division raised and spent an amount of funding that ranged approximately between $4.5 and $5.5 million in extrabudgetary resources on a yearly basis (see TD/B/WP(68)/CRP.2, table 7).[13] These resources are directed at funding the costs of inputs associated with technical cooperation. These extrabudgetary resources compare to an amount of approximately $12 to $15 million for the full period 2000–2003. In current United States dollars, this is a significant decrease adjusted for inflation.

[12] A Engelhardt, 2014.

[13] All figures are in current United States dollars.

66. Ultimately, policy ideas advanced by organizations such as UNCTAD are useful only if they are implemented and translate into positive developments. There are two ways in which those ideas can be implemented: through a multilateral or regional process, or at the individual country level. Experience shows that multilateral and regional processes can be quite slow. So it is reasonable to argue that implementation of various investment-related policies and capacity-building initiatives at the country level is critical to learning by doing and drawing lessons as to what works and what does not.

67. The challenges to secure funding at the country level are significant. As many donor funding decisions are now driven by the country-level dialogue taking place between Governments and development partners, it is critical for the Division to find ways to be fully cognizant of and, ideally, participate in pertinent country-level technical working groups and other coordination mechanisms agreed upon among stakeholders. DIAE experience suggests that where the Division does well is when it succeeds in partnering with other development organizations or with local organizations to amplify its more limited resources. Another interesting approach is when the Division is able to implement some of its services via larger external technical assistance funding such as that which might be available through the One United Nations initiatives (e.g. IPR in Lesotho, Empretec in Zambia), United Nations Inter-agency Cluster on Trade and Productive Capacity (e.g. Empretec in the United Republic of Tanzania) and the Enhanced Integrated Framework.

5. Conclusions

68. SP2 delivers much with limited resources. The Division should continue exploring new ways of getting the most out of limited resources. With a shift to different forms of messages and new communications tools as a result of the Internet and social media, it should be possible to accelerate the shift of resources away from the production of traditional communications products – including some printed reports – towards new Internet-based communications products (e.g. online forums such as in the Investment Policy Hub, information-packed websites such as the one on investment guides (iGuides)) and providing other services.

69. To stretch its limited extrabudgetary resources, the Division has moved away from organizing training events at the country level and shifted most of those events to the regional level. This can be an issue for African countries, LDCs, SIDS, LLDCs and other vulnerable economies as an insufficient number of their officials can be trained to meet their needs. More extensive use of e-learning should provide opportunities to mitigate that limitation.

70. SP2 cooperates significantly with other development agencies. Cooperation with other UNCTAD divisions seems rather limited, but also an UNCTAD-wide issue across most divisions.

71. Improving access to extrabudgetary resources is necessary. DIAE collaborates with other development organizations to implement technical cooperation, thus indirectly amplifying resources. The Division can take other steps to increase access to extrabudgetary resources, but there is a broader responsibility for UNCTAD as a whole to address this issue in a more systemic way.

6. Recommendations

4 DIAE needs to forge ahead with the high quality and creative effort set in motion to revamp its websites, make them far more interactive and design them in ways that respond to the new ways in which information is accessed as a result of the Internet. While UNCTAD needs to ensure all websites project a unified corporate

image, it is important that this be done in a manner supportive of the reasonably high degree of decentralization required for its subprogrammes, including SP2, to develop interactive websites with the clients they serve.

5 Greater use of new distance learning and e-learning tools including videoconferencing, Internet live streaming and other tools would permit expanding the reach of many regional workshops to the country level at very limited additional costs to reach at least a large number of countries, if not everywhere.

6 Notwithstanding UNCTAD's lack of field presence, the fact is that most donor funding decisions are taken nowadays at the country level, in no small part in response to the new country–donor dynamics launched under the Paris Principles on Aid Effectiveness. Strong direct interaction with Government–development partner dialogue mechanisms at the country level can help increase access to extrabudgetary resources from specialized funds such as multi-donor sector-wide approach trust funds. This approach can be implemented with support from the UNCTAD Technical Cooperation Service.

E. Sustainability

1. Research and analysis

72. SP2's FDI database is based on information collected by the countries themselves, in theory in line with the capital account statistical tools from the International Monetary Fund's *Balance of Payments Manuals* (until recently the fifth edition of the *Manual*, most recently, the sixth edition). To strengthen the quality and sustainability of country-level data, since the mid-2000s, and accelerating after 2008, DIAE has implemented a programme of technical cooperation at the national and regional levels to strengthen capacity and coordination among the agencies that collect such country-level data (e.g. central bank, tax authority, statistical office, etc.) The programme has reached approximately 40 countries to date. The Division is helping consolidate sustainability in those countries by strengthening coordination across agencies at the country level and improving the quality of what is being produced.

2. Consensus-building

73. As noted earlier, the conceptual approach behind bilateral investment treaties is at an early stage of a major change as more countries and regional groupings are looking towards the IPFSD as a guide to reshaping their own model bilateral investment treaties going forward. Fact-based evidence of sustainability will be much stronger in a few years from now assuming that more countries, by then, demonstrate that they are taking on the principles inscribed in IPFSD in their new bilateral investment treaties. Nonetheless, early trends are positive, as reflected in the data collected in table 1 of document TD/B/WP(68)/CRP.2 and through the survey.

3. Technical cooperation

74. Respondents to the surveys suggest that the technical cooperation received is sustained to varying degrees, with 44 per cent of stakeholders overall indicating they have the technical or financial capacity to sustain SP2-supported results. LDCs, African countries, LLDCs, SIDS and other structurally weak, vulnerable and small economies face greater challenges in sustaining capacity gained through technical cooperation. The earlier recommendation on distance learning and e-learning should help build a larger base of individuals at the country level that are trained in the relevant issues. An enhanced link between SP2 technical cooperation and Government–development partner dialogue at the

country level, discussed earlier, could open additional entry points to secure both complementary financial resources and technical support as needed.

75. In addition, findings from the surveys and interviews suggest that DIAE would benefit from having a post-technical cooperation support service to assist beneficiaries in identifying the branch or branches within DIAE, divisions within UNCTAD or other development partners that might be able to assist with needed follow-up technical cooperation services.

4. Conclusions

76. Sustainability has three main dimensions: institutional, financial and technical. DIAE core products on the whole score well as far as sustainability is concerned. To varying degrees, reforms started with the support of SP2 are institutionalized by countries.

77. Previous conclusions on deepening the use of distance learning and e-learning could help strengthen technical capacity at the country level. A deepening involvement in Government–development partner dialogue could increase access to additional external funding for enhanced financial sustainability.

78. A third area where SP2 could assist further is by developing a light system of post-technical cooperation "aftercare" support to facilitate access to complementary follow-up technical assistance. This would help deepen the anchoring of the results of technical cooperation in each country. This should be covered through limited redeployment of resources within DIAE along the lines suggested elsewhere in the present document.

5. Recommendations

7 DIAE should introduce a system of "aftercare" country desk officers to respond to follow-up information inquiries from beneficiaries. Helping countries identify additional assistance, wherever available and as required, should strengthen the sustainability of SP2 interventions.

8 Member States should look at how best to respond to SP2's needs for additional extrabudgetary resources, including through Aid for Trade-related mechanisms, to address the requests from African States, LDCs, LLDCs, SIDS and other vulnerable economies and to strengthen sustainability.

F. Cross-cutting issues

1. Women's empowerment

79. SP2 has a rather limited focus on women's empowerment. This finding is confirmed by the survey of beneficiary countries for the four core products selected for this evaluation and is confirmed, more broadly, by the member State representatives interviewed. Overall, only 36 per cent of respondents perceive that SP2 incorporates women's empowerment objectives into its technical support to a high or very high degree. As part of its Empretec technical cooperation, the Division issues a biennial "Women in Business Award" that receives wide publicity and provides an important role model for other women entrepreneurs. The evaluation indicates that the fact that a large number of women entrepreneurs are trained through Empretec centres is more coincidental than deliberate – though some centres have a more deliberate approach towards targeting women. In the absence of rigorous monitoring, it is difficult to determine fully the possible impact of SP2 on job and business creation among women.

2. Green economy

80. In contrast to women's empowerment, there is more focus in SP2 on green economy issues at the research and policy analysis, consensus-building and technical cooperation levels. Investment and green economy issues have been considered in the research associated with responsible investment in agriculture and IPFSD, in consensus-building and in certain follow-up technical assistance products such as green investment promotion, inclusion of green criteria in technical support for IIAs, in corporate social responsibility and others. In the absence of rigorous monitoring, it is difficult to determine fully the possible impact of SP2 on green jobs and business creation.

3. Conclusion

81. With some exceptions, SP2's explicit focus on gender equity and women's empowerment is quite limited, although the evaluation observes that this is broadly true for the whole of UNCTAD. The evaluation notes a stronger focus on green economy issues.

4. Recommendation

9 As part of its ongoing work on the role of private sector investment in the post-2015 sustainable development goals, DIAE should proceed with a review of how it can make goals of gender equity and women's empowerment more explicit in its work.